

MEDICARE AND YOU

1992 EDITION



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WHAT IS MEDICARE?

CMS Manual
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7500 Security Blvd.
Baltimore, Maryland 21240

It's the federal government's health insurance program for people age 65 or older -- and for many people with disabilities.

**Medicare
has 2 parts:**

HOSPITAL INSURANCE (PART A)

Money for this part of Medicare comes out of "Social Security" (FICA) taxes deducted from workers' pay. Employers also contribute.



MEDICAL INSURANCE (PART B)

You pay a monthly premium if you enroll in this part of Medicare.



**The 2 parts cover different types of
care and have different enrollment procedures.**



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WHO'S ELIGIBLE FOR MEDICARE?

**Eligibility for the 2 parts
of Medicare varies:**

HOSPITAL INSURANCE (PART A)

People age 65 or older are
eligible if:

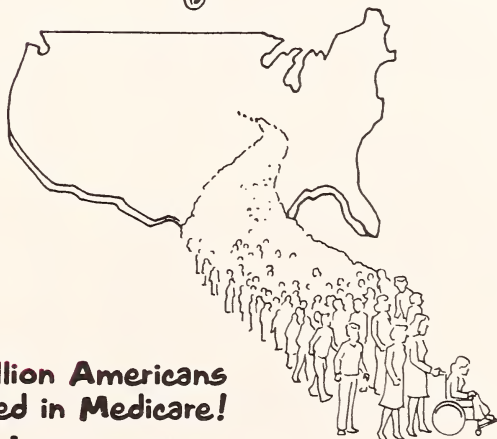
- they're getting – or are entitled to – Social Security or railroad retirement benefits
- they've worked long enough for the federal, state or local government.

People under age 65 may be
eligible if they're disabled or have
kidney disease.



MEDICAL INSURANCE (PART B)

Nearly everyone age 65
or older is eligible. Those
who qualify for Hospital
Insurance before age 65
are eligible, too.



**Over 34 million Americans
are enrolled in Medicare!**
Learn more ...

HOSPITAL INSURANCE (PART A)

helps pay for:

HOSPITAL CARE

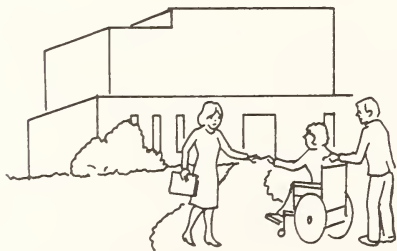
Up to 90 days per benefit period* are covered:

- FIRST 60 DAYS – Hospital insurance pays all covered costs after the first \$652 (you pay this amount once per benefit period, no matter how many times you're admitted to the hospital)
- NEXT 30 DAYS – Hospital Insurance pays all covered costs beyond \$163 a day.

There is no limit to the number of 90-day benefit periods you can have.

THERE ARE ALSO 60 "RESERVE" DAYS

of covered hospital care for which Hospital Insurance pays all covered costs beyond \$326 a day. (Unlike the 90 days per benefit period, reserve days cannot be replaced after use.)



SKILLED NURSING OR REHABILITATIVE CARE

(in a skilled nursing facility)

After you have a hospital stay of at least 3 days and meet certain other conditions, up to 100 days per benefit period* are covered:

- FIRST 20 DAYS – Hospital Insurance pays all covered costs
- NEXT 80 DAYS – Hospital Insurance pays all covered costs beyond \$81.50 a day.



* A benefit period begins when you enter the hospital. It ends when you have been out of the hospital and have not received skilled care in another facility for 60 days in a row.

HOME HEALTH CARE

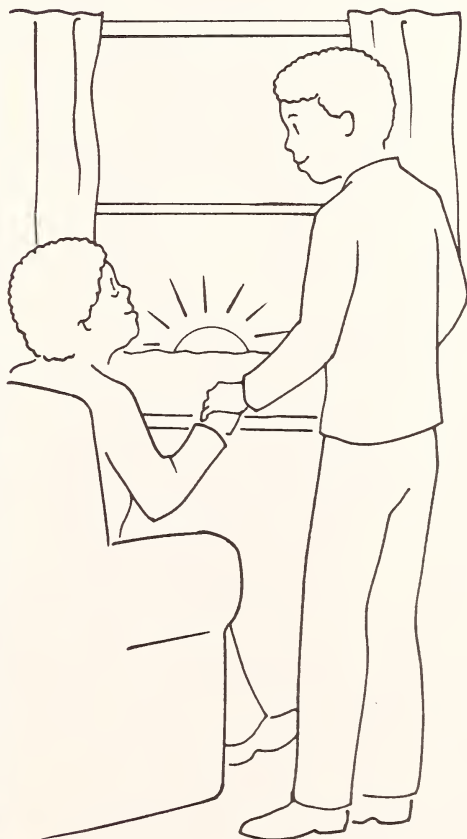
If you need skilled nursing care or therapy in your home, Hospital Insurance pays the approved cost of covered services, including:

- part-time skilled nursing or home health aide care
- physical, speech and occupational therapy
- medical social services
- medical supplies.



HOSPICE CARE

Hospital Insurance pays covered costs for 210 days (more if the patient is recertified as terminally ill). Outpatient drugs and respite care are partially covered.

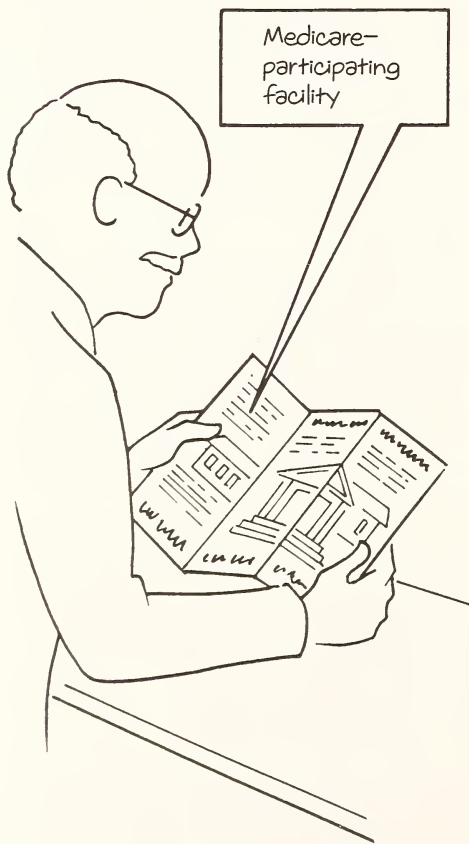


SOME RESTRICTIONS APPLY

to Hospital Insurance:

YOU MUST RECEIVE CARE FROM A "PARTICIPATING" FACILITY

or agency. Before receiving care in a hospital or other facility or at home, make sure that the health-care provider participates in Medicare (see page 10).



YOUR CARE MUST BE APPROVED

by a Peer Review Organization or Utilization Review Committee (for hospital and skilled nursing facility care). These groups help Medicare decide if care is "reasonable and necessary."

Care must also be approved by the Medicare intermediary. This organization handles Medicare Hospital Insurance claims.



HOW DO I SIGN UP FOR HOSPITAL INSURANCE?

That depends on your retirement status and other factors.

YOU'LL BE ENROLLED AUTOMATICALLY

if you're getting Social Security or railroad retirement benefits when you turn 65. You'll be mailed information 2 or 3 months before your 65th birthday.

If you're under 65 and getting disability benefits, you'll get information about 3 months before you qualify for Medicare.



YOU SHOULD CONTACT SOCIAL SECURITY

3 months before you turn 65 if you:

- plan to take Social Security – or to keep working
- are a government employee or retiree who's eligible for Medicare.

Contact Social Security right away if:

- you're a disabled widow or widower between ages 50 and 65, but not getting Social Security benefits
- you or someone in your family has permanent kidney failure (and is not already getting Medicare).



MEDICAL INSURANCE (PART B) COVERAGE

MEDICAL INSURANCE HAS A YEARLY "DEDUCTIBLE"

of \$100. This means that you have to pay \$100 toward covered costs each year. Then Medical Insurance will pay 80% of Medicare's approved fee for:

PHYSICIAN'S SERVICES

given at home, in a physician's office or elsewhere. Covered services include:

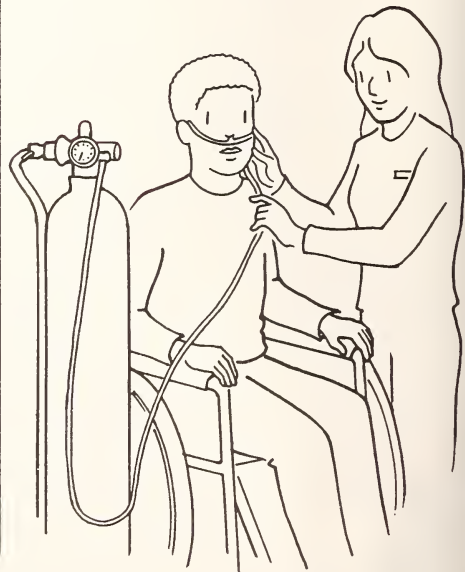
- medical and surgical care
- X-rays and other diagnostic tests and procedures
- medical supplies, drugs you can't take by yourself, and blood transfusions (a separate deductible may apply for the first 3 pints)
- physical and occupational therapy and other services.



"SPECIAL PRACTITIONER" SERVICES

including covered services provided by:

- clinical psychologists and social workers
- registered nurse anesthetists
- physician assistants
- nurse practitioners and clinical nurse specialists.



OUTPATIENT HOSPITAL SERVICES,

including those given in an emergency department or outpatient clinic.



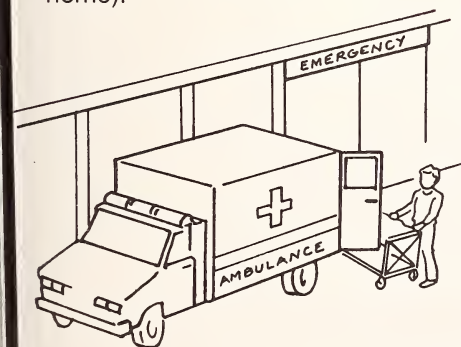
HOME HEALTH SERVICES

which are also covered under Medicare Hospital Insurance. If you don't have Hospital Insurance, Medical Insurance provides coverage (if you meet certain conditions).



AMBULANCE SERVICES

to a hospital or skilled nursing facility (or from the hospital or skilled nursing facility to your home).



OTHER COVERED SERVICES

and supplies include:

- ambulatory surgery (surgery not requiring an overnight stay)
- rural health clinic services
- outpatient physical and occupational therapy and speech pathology services
- comprehensive outpatient rehabilitation facility services
- Pap tests and mammograms
- radiation therapy
- kidney dialysis and transplants
- certain drugs, vaccines and medical supplies.

CERTAIN LIMITS AND RESTRICTIONS MAY APPLY

For more information, contact your local Social Security office or Medicare carrier (the organization that handles Medical Insurance claims).

YOUR COSTS DEPEND ON "ASSIGNMENT"

under Medical Insurance.

"ACCEPTING ASSIGNMENT"

means your physician or other health-care provider agrees to charge the Medicare-approved fee for a covered service.

When this happens:

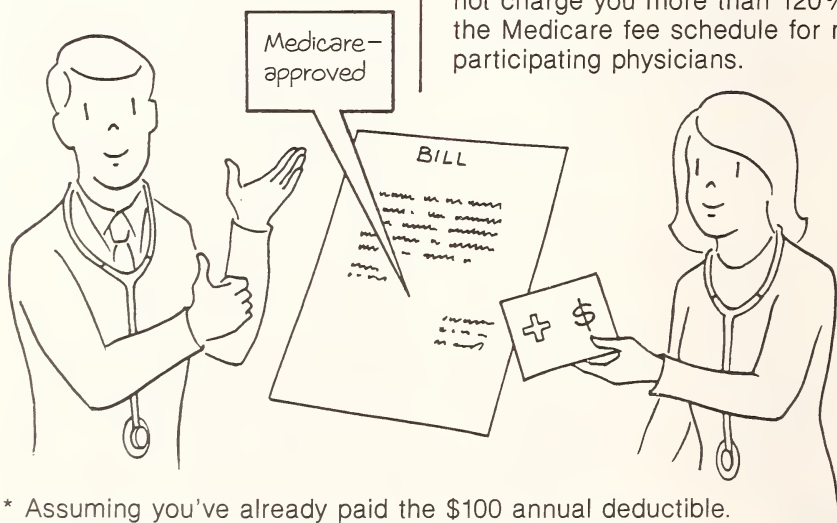
- Medicare pays 80% of the approved fee
- you pay only the remaining 20%* -- called "coinsurance."

"NOT ACCEPTING ASSIGNMENT"

means your physician or other health-care provider can charge a higher fee for the covered service. When this happens:

- Medicare pays 80% of the approved fee
- you pay 20% of Medicare's approved fee* -- plus any difference between the approved fee and the actual charge.

NOTE: In 1992, the physician may not charge you more than 120% of the Medicare fee schedule for non-participating physicians.



* Assuming you've already paid the \$100 annual deductible.

"MEDICARE-PARTICIPATING" HEALTH-CARE PROVIDERS

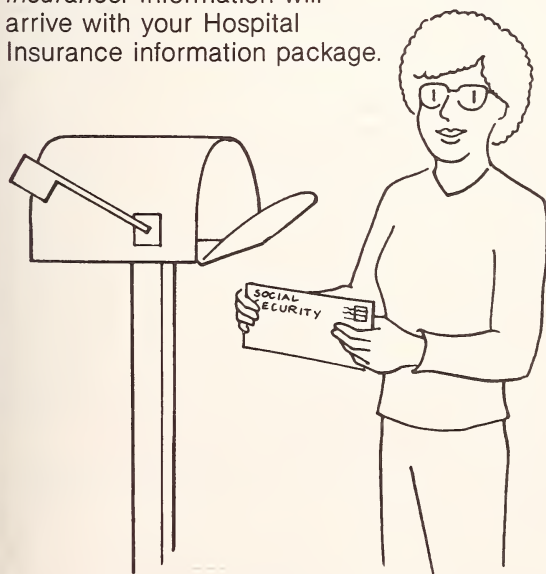
accept assignment on all Medicare claims. Those who don't participate in Medicare can choose to accept assignment or not.

HOW DO I SIGN UP FOR MEDICAL INSURANCE?

As with Hospital Insurance, the situation varies.

YOU'LL BE ENROLLED AUTOMATICALLY

if you're getting Social Security or railroad retirement benefits when you turn 65 -- *unless you say you don't want Medical Insurance*. Information will arrive with your Hospital Insurance information package.



YOU SHOULD CONTACT SOCIAL SECURITY

to apply for Medical Insurance if you:

- qualify for Medicare based on government employment
- turned down or dropped Medical Insurance earlier
- are 65 but don't qualify for Hospital Insurance
- are a disabled widow or widower between ages 50 and 65 who doesn't receive disability benefits.

WHEN YOU ENROLL IN MEDICAL INSURANCE,

the monthly premium (\$31.80 per month in 1992) is deducted from your Social Security, railroad retirement or civil service check.

SOME EXPENSES AREN'T COVERED UNDER MEDICARE

Medicare provides basic protection for treating illnesses and injuries. Costs not covered include:

CARE NOT CONSIDERED "REASONABLE AND NECESSARY"

(see page 6)



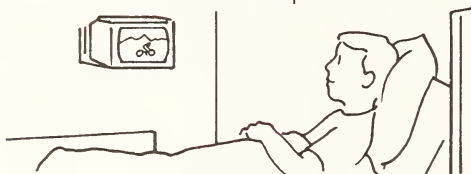
"CUSTODIAL CARE"

-- help with bathing, walking, etc.



ITEMS PROVIDED FOR PERSONAL COMFORT,

such as a TV in a hospital room



MOST LONG-TERM CARE

in a facility other than a hospital or skilled nursing facility



ROUTINE DENTAL CARE



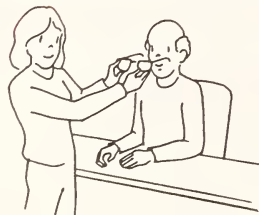
ROUTINE CHECKUPS

and immunizations (with a few exceptions)



VISION AND HEARING TESTS,

as well as eyeglasses and hearing aids



PRESCRIPTION DRUGS

-- unless you're an inpatient in a hospital or skilled nursing facility.

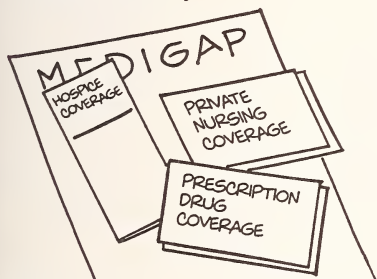


OTHER FORMS OF HEALTH-CARE INSURANCE

and assistance may be of help.

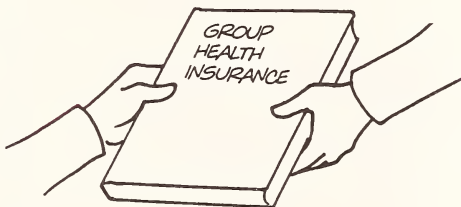
MEDIGAP INSURANCE

fills the "gaps" in Medicare coverage by paying deductibles and coinsurance for you, and by covering items or services not covered by Medicare. Ask an insurance agent for details. Prices and policies vary somewhat, so read them and choose carefully.



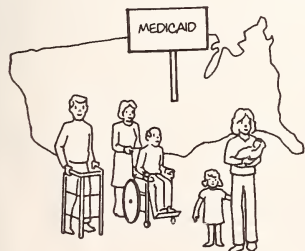
GROUP HEALTH INSURANCE,

available through an employer or other organization, may provide broader coverage or reduced costs. If you have a group policy, don't cancel it until you've talked to someone who understands insurance and your financial situation.



MEDICAID

is a state-run program for people with very low income. It may pay Medicare deductibles and coinsurance, if you qualify. It may also cover some things not covered by Medicare (such as prescription drugs and eyeglasses). Contact your state or local welfare office for details.



OTHER SPECIALIZED INSURANCE POLICIES

provide benefits in specific situations, such as for nursing home care or cancer treatment. Ask an insurance agent for details.



SOME QUESTIONS AND ANSWERS

What services are covered during a hospital stay?

If you're an inpatient, Hospital Insurance will pay for:

- a semi-private room
- meals
- blood transfusions (minus the deductible for blood, when it applies)
- drugs
- regular nursing services
- special care (intensive or coronary care).

Can I join a health maintenance organization (HMO)?

Yes. You simply continue to pay your monthly Medical Insurance premium (in some cases you also pay a small monthly HMO premium). You'll receive services covered by Medicare -- and possibly some not covered by Medicare.



Where can I get help or information?

Call Social Security. For a number to call, check the White Pages of your phone book under "Social Security Administration" or "United States Government." Or, call your Medicare carrier -- you can get their number by calling 1-800-638-6833.



Soo--

MEDICARE HELPS PAY FOR NEEDED HEALTH CARE!



Make sure you:

- ✓ **KNOW HOW
MEDICARE WORKS.**
- ✓ **UNDERSTAND
WHAT'S COVERED**
-- and what isn't.
- ✓ **TAKE ADVANTAGE
OF HELP**
that's available.

**Make Medicare a part of
your lifelong health-care plan!**

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